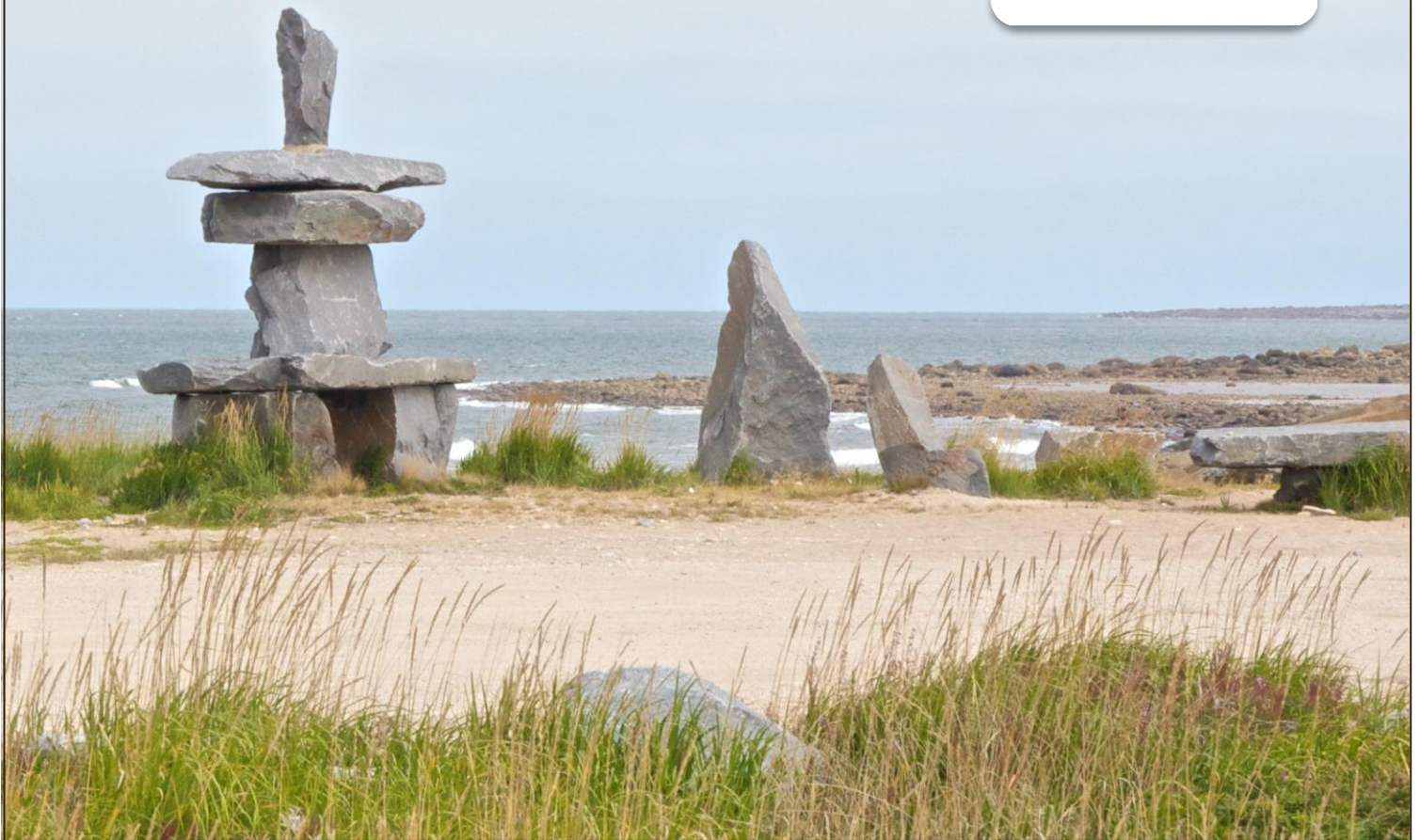


The logo for MNP, consisting of the letters 'MNP' in a bold, green, sans-serif font, is positioned in the top right corner of the page. It is set against a white background that has a slight drop shadow effect.

**MNP**



## **Assessing Economic Growth Potential for Northern Communities**

**Prepared for Crown-Indigenous Relations and Northern Affairs Canada**

**January 2, 2019**

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## EXECUTIVE SUMMARY

### Background

Crown-Indigenous Relations and Northern Affairs Canada (“CIRNAC”) engaged MNP to examine approaches for identifying economic growth potential in northern communities through the use of research studies. The scope of MNP’s work was limited to a review of existing economic leakage studies and did not include primary research activities.

### About Economic Leakage Studies

Economic leakage studies are a tool employed by Indigenous communities to identify opportunities to grow local economies through recapturing spending that is taking place outside the local area. They have also proven useful in supporting discussions with neighbouring communities around cooperation.

Economic leakage studies are designed to answer the following questions:

- How large is the economy of the community?
- What is the contribution of the Indigenous government and administration, households, and businesses to the overall economy?
- What are the sources of income and how much income is generated within the community?
- What goods and services are provided within the community and what goods and services are purchased outside the community?
- What is the community’s contribution to the economy of the surrounding region?

Economic leakage studies have effectively supported economic development strategies for communities that are located in close proximity to larger towns or cities in southern regions of Canada.

### Identifying Growth Potential in Northern Communities

Economic leakage studies are well suited for identifying opportunities for communities that are located in close proximity to larger towns, and that have opportunities to provide services within a larger market. However, location does not typically provide the same opportunities for northern communities.

Northern communities tend to be smaller and more remote than communities in other parts of Canada. They have less developed infrastructure, may have limited access to support services for businesses (e.g., legal, accounting) and they may be dependent on single industries or employers. Consequently, there may not be opportunities to provide services within a larger market, and there may be significant barriers to business formation so the typical framework employed for an economic leakage study would not be appropriate for identifying opportunities for a northern community.

To be effective at identifying opportunities for northern communities, the scope of an economic leakage study could be modified to include assessment of:

- The contribution of traditional activities to the community’s economy and the potential to develop those.
- How natural features in the region could be leveraged to support economic development.
- Opportunities related to existing and planned resource development.
- Opportunities to develop infrastructure.

A key consideration in the assessment would be the remoteness of the community. Remoteness affects economic opportunities and growth potential through access to transportation networks, education services

and connectivity. The degree to which of these factors are present can both provide opportunities and create barriers to opportunities.

Figure A outlines our suggested framework for adapting the methodology used for economic leakage studies to identify growth potential in northern communities.

**Figure A: Approach to Identifying Economic Growth Potential**

Approach to Identifying Economic Growth Potential	
Economic Leakage Study	<p><b>Estimate the Size of the Economy</b></p> <ul style="list-style-type: none"> <li>• Gather data on income and expenditure by Indigenous government, households and businesses.</li> <li>• <b><i>Gather information on the nature and level of traditional activities that take place within the community.</i></b></li> <li>• Estimate the contributions of each component of the economy.</li> </ul>
	<p><b>Assess Income and Expenditure Flows</b></p> <ul style="list-style-type: none"> <li>• Assess the sources of income within the community (e.g., government transfers, own source revenue, employment income, etc).</li> <li>• <b><i>Assess the contribution of traditional activities to the community's economy.</i></b></li> <li>• Assess spending patterns of First Nation government, households and businesses to identify the amount that is spent within the community and the amount that is spent outside the community.</li> </ul>
	<p><b>Gather Additional Information (community assets, natural features and resources)</b></p> <p><b><i>Gather information on:</i></b></p> <ul style="list-style-type: none"> <li>• <b><i>Available infrastructure in the community and region.</i></b></li> <li>• <b><i>Natural features in the region.</i></b></li> <li>• <b><i>Existing, planned and potential resource developments in the community's traditional territory.</i></b></li> <li>• <b><i>Community assets.(e.g., population characteristics, services, organizations, etc)</i></b></li> </ul>
	<p><b>Identify Opportunities</b></p> <p><b><i>Assess opportunities to:</i></b></p> <ul style="list-style-type: none"> <li>• Recapture spending</li> <li>• <b><i>Provide goods and services locally.</i></b></li> <li>• <b><i>Develop infrastructure.</i></b></li> <li>• <b><i>Leverage natural features.</i></b></li> <li>• <b><i>Participate in resource developments.</i></b></li> </ul>

Note: ***Italics*** indicates a modification to the scope of an economic leakage study.

### Future Research

We suggest future research be undertaken in collaboration with northern Indigenous communities to further refine the methodology to meet their specific needs.

# 1. INTRODUCTION

## Background and Purpose

Canada's territorial north is a vast area encompassing Nunavut, Yukon and Northwest Territories, which together account for approximately 40 percent of Canada's area.<sup>1</sup> While the territorial north is vast in area, it is sparsely populated and accounts for less than 0.5 percent of Canada's population.<sup>2</sup>

Many of the features that make communities in the territorial north distinct from those in southern parts of Canada are shared with communities in northern regions of BC, the prairies, Ontario, Quebec, and Labrador. These northern communities tend to be small and somewhat remote. They also have younger populations, comprised of a relatively larger proportion of Indigenous people than communities in other parts of Canada.

The combination of geography, population, and other external factors creates distinct challenges for northern communities in relation to economic growth. Challenges include lack of infrastructure, lack of services and skill shortages that make it difficult for businesses to operate or expand. Consequently, government is an important component of the economy in many northern communities both in terms of providing services and providing employment opportunities.

To support future prosperity and encourage economic development northern communities are taking a strategic approach to identifying opportunities that could enhance and/or complement their existing economies. A key component of this approach is to understand the characteristics of the northern economy and how the growth potential of a northern community differs from that of communities in other parts of Canada.

To develop tools that may be used by northern communities to support economic development activities Crown-Indigenous Relations and Northern Affairs Canada ("CIRNAC") engaged MNP to undertake a review of existing economic leakage studies and identify how the methodology employed could be adapted to identify economic growth potential in northern communities.

## Scope

The scope of the study included:

- Summarizing the approaches and findings for existing economic leakage studies.
- Examining selected northern communities to demonstrate and highlight the gaps in approaches for addressing economic growth.

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<sup>1</sup> Natural Resources Canada. "The North" Available here: <https://www.nrcan.gc.ca/earth-sciences/geography/atlas-canada/selected-thematic-maps/16886> (Accessed December 3, 2018)

<sup>2</sup> Statistics Canada, 2016 Census of Population.

## Structure of the Report

The remainder of the report is organized as follows:

- Section 2 provides a description of the methodology used for the study.
- Section 3 describes what an economic leakage study is and summarizes the findings of our review of leakage studies.
- Section 4 describes key factors affecting economic opportunities in northern communities.
- Section 5 provides an assessment of how the methodology used in leakage studies could be adapted for use by northern communities.
- Section 6 summarizes the findings of the study.
- Section 7 comments on directions for future research
- Appendix A describes how remoteness can be measured in northern communities.
- Appendix B provides case studies illustrating the application of the proposed framework to three remote northern communities.
- Appendix C summarizes the leakage studies reviewed for this study.

## Limitations

We have relied upon the completeness, accuracy and fair presentation of all information and data obtained from public sources, believed to be reliable. The accuracy and reliability of the findings and opinions expressed in the presentation are conditional upon the completeness, accuracy and fair presentation of the information underlying them. As a result, we caution readers not to rely upon any findings or opinions expressed for business or investment decisions and disclaim any liability to any party who relies upon them as such.

The findings and opinions expressed in this report constitute judgments as of the date of the report, and are subject to change without notice. MNP is under no obligation to advise of any change brought to its attention which would alter those findings or opinions.

## 2. METHODOLOGY

The study was based on a review of existing leakage studies of Indigenous communities and did not include primary research. In preparing this report MNP:

- Conducted a review of publicly available literature on economic development in rural and remote areas.
- Reviewed economic leakage studies that were prepared for Indigenous communities and were publicly available.
- Gathered information on selected communities in BC, Ontario, Quebec, Northwest Territories, and Nunavut from publicly available sources.
- Developed a framework for identifying growth potential in northern communities based on the approach employed for economic leakage studies.

### 3. WHAT IS AN ECONOMIC LEAKAGE STUDY?

Economic leakage studies are a tool commonly employed by Indigenous communities to identify opportunities to grow local economies through recapturing spending that is taking place outside the local area. They are typically undertaken as part of a broader economic development strategy and are designed to answer the following questions:

- How large is the economy of the community?
- What is the contribution of the Indigenous government and administration, households, and businesses to the overall economy?
- What are the sources of income and how much income is generated within the community?
- What goods and services are provided within the community and what goods and services are purchased outside the community?
- What is the community's contribution to the economy of the surrounding region?

To assess how the approach used in an economic leakage study could be applied to a northern community we undertook a review of five economic leakage studies to identify best practice analysis and communication approaches. The growth studies included communities in BC, Ontario, Quebec, and Nova Scotia. A list of the studies reviewed and profiles of three of the studies and their findings are provided in Appendix C.

It is important to note that the leakage studies that we reviewed all involved communities that are located near larger towns or cities. In addition, the communities all had established governance structures and economic development functions. Our literature review did not find any publicly available studies that were conducted for remote or isolated communities.

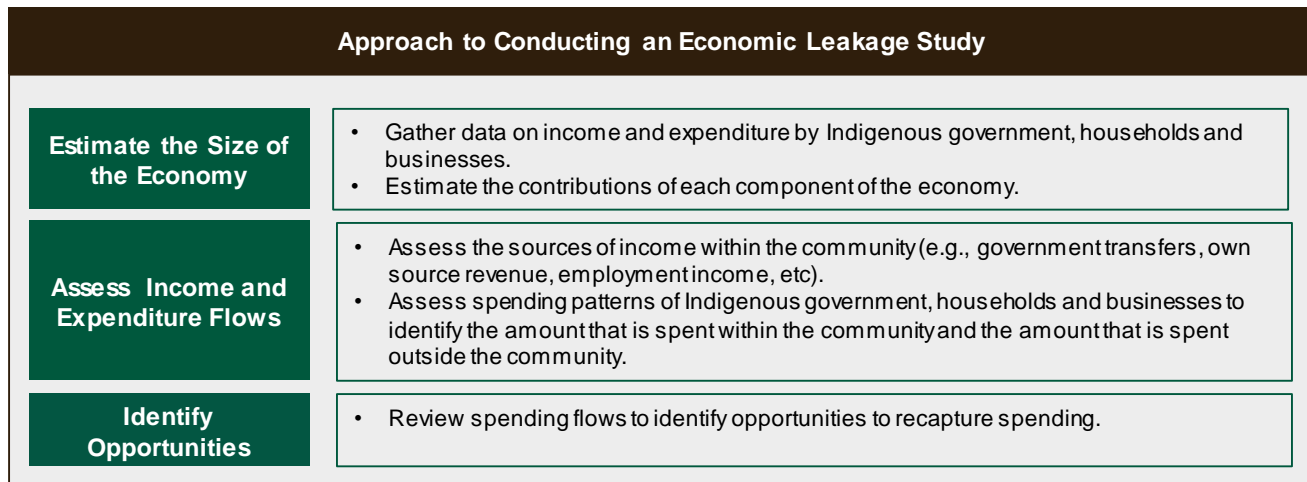
#### Findings of the Review of Existing Studies

Economic leakage studies are typically undertaken as part of a broader economic development strategy and are intended to identify opportunities to recapture money spent outside the community. In addition, economic leakage studies have been used to support discussions with neighbouring communities around cooperation, and identify opportunities to provide products and services to the surrounding region.

The scope of economic leakage studies is typically limited to estimating the amount of spending that is generated by a community, the amount of spending that takes place in the community and, the community's contribution to the surrounding region. Recommendations are typically focused on identifying opportunities to recapture spending and grow capacity. Figure 1 outlines the approach used to undertake an economic leakage study.



**Figure 1: Approach to Conducting an Economic Leakage Study**



The economic leakage studies reviewed were generally consistent in that:

- The majority of goods and services purchased by Indigenous governments, households and businesses were purchased outside the community.
- Indigenous government and administration provided the majority of jobs within the community.
- The level of entrepreneurial activity was relatively high; however, businesses operated by community members tended to be small in scale.

The dependence on government transfers varied by community. In one case less than 50 percent of income was generated from government sources while in most others the share was 85 percent.

The proximity of the communities to larger towns or cities was an important factor in the recommendations. The communities' locations meant that they had access to opportunities to provide goods and services within a larger market. Opportunities that were identified typically included:

- Providing land for industrial, commercial, residential and recreational opportunities.
- Developing retail services either through local entrepreneurs or through partnerships with established retailers.

## 4. REMOTENESS

Economic leakage studies focus on identifying opportunities to recapture spending that is taking place outside the community. In most cases those opportunities involve recapturing spending that is taking place in neighbouring communities, and providing services to the larger region. For northern communities, location does not provide the same types of opportunities as it does in many other parts of Canada.

Northern communities are typically smaller and more remote. They have less developed infrastructure, may have limited access to support services for businesses (e.g., legal, accounting) and they may be dependent on single industries or employers. Consequently, the challenges to economic growth faced by northern



communities are distinct from those faced by communities located in urban areas, and are in fact similar to those faced by rural areas. Those challenges include:<sup>3</sup>

- Dependence on natural resources which leaves them vulnerable to boom and bust cycles.
- Ageing population.
- Declining population as youth move to urban areas.
- Skill shortages, particularly in professions and skilled trades.
- Lack of services such as health care, education, and transportation.

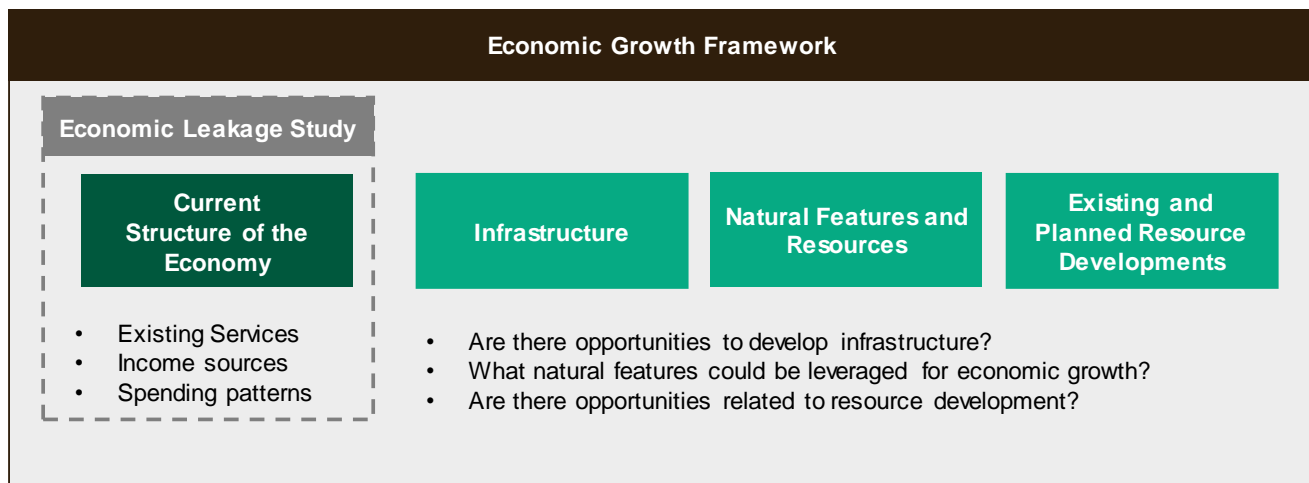
For northern communities these challenges can be more acute than in rural areas as they may not be located near other towns or cities, and there may be limited opportunities to provide services within a larger market. Consequently, a framework for identifying economic growth potential in northern communities needs to consider more than just how to recapture spending that is taking place outside the community. It needs to consider how location and remoteness affect the available opportunities.

Remoteness affects economic opportunities and growth potential through access to transportation networks, education services and connectivity. The degree to which of these factors are present can both provide opportunities and create barriers to opportunities.

## 5. GROWTH FRAMEWORK FOR NORTHERN COMMUNITIES

Figure 2 outlines an economic growth framework that expands on the scope of an economic leakage study to incorporate location and remoteness by including opportunities to develop infrastructure, opportunities related to the natural environment, and opportunities related to existing and planned resource development.

**Figure 2: Economic Growth Framework for Northern Communities**



The expanded scope outlined in Figure 2 would involve gathering additional information on community assets, natural assets, and existing and planned resource developments near the community. This information would include population characteristics, the types of local organizations in the community, and the contribution of traditional activities (e.g., hunting, trapping, arts and crafts) to the local economy.

<sup>3</sup> Kunin, Roslyn. "Economic Development Issues for Rural Communities in Four Western Provinces.", Canada West Foundation. March 2009. Available here: [http://cwf.ca/wp-content/uploads/2015/11/CWF\\_Rural\\_EconomicDevelopmentIssues\\_APR2009.pdf](http://cwf.ca/wp-content/uploads/2015/11/CWF_Rural_EconomicDevelopmentIssues_APR2009.pdf)

The additional information would be used to identify:

- Opportunities for traditional activities to be leveraged to support economic growth.
- Opportunities to develop capacity to provide services in the local community.
- Opportunities to leverage existing capacity or develop new capacity to provide services to support resource developments.
- Opportunities to partner with other communities to develop new markets for products and services provided in the communities (e.g., tourism).

Figure 3 illustrates the steps that would be involved in undertaking a study to identify economic growth potential based on the expanded scope.

**Figure 3: Approach to Identifying Economic Growth Potential**

Approach to Identifying Economic Growth Potential	
Economic Leakage Study	<p><b>Estimate the Size of the Economy</b></p> <ul style="list-style-type: none"> <li>• Gather data on income and expenditure by Indigenous government, households and businesses.</li> <li>• <b><i>Gather information on the nature and level of traditional activities that take place within the community.</i></b></li> <li>• Estimate the contributions of each component of the economy.</li> </ul>
	<p><b>Assess Income and Expenditure Flows</b></p> <ul style="list-style-type: none"> <li>• Assess the sources of income within the community (e.g., government transfers, own source revenue, employment income, etc).</li> <li>• <b><i>Assess the contribution of traditional activities to the community's economy.</i></b></li> <li>• Assess spending patterns of First Nation government, households and businesses to identify the amount that is spent within the community and the amount that is spent outside the community.</li> </ul>
	<p><b>Gather Additional Information (community assets, natural features and resources)</b></p> <p><b><i>Gather information on:</i></b></p> <ul style="list-style-type: none"> <li>• <b><i>Available infrastructure in the community and region.</i></b></li> <li>• <b><i>Natural features in the region.</i></b></li> <li>• <b><i>Existing, planned and potential resource developments in the community's traditional territory.</i></b></li> <li>• <b><i>Community assets.(e.g., population characteristics, services, organizations, etc)</i></b></li> </ul>
	<p><b>Identify Opportunities</b></p> <p><b><i>Assess opportunities to:</i></b></p> <ul style="list-style-type: none"> <li>• Recapture spending</li> <li>• <b><i>Provide goods and services locally.</i></b></li> <li>• <b><i>Develop infrastructure.</i></b></li> <li>• <b><i>Leverage natural features.</i></b></li> <li>• <b><i>Participate in resource developments.</i></b></li> </ul>

Note: ***Italics*** indicates a modification to the scope of an economic leakage study.

In identifying opportunities the degree of remoteness would be a key consideration. For the purposes of assessing economic growth potential remoteness would be measured based on factors that are important in providing access to markets and supporting economic growth. Those factors are:

- **Transportation infrastructure** – is the community accessible by road year-round?
- **Distance to a centre with a full set of services** – the full set of services would include health and education services and accessibility to major transportation networks. Health care services would include an acute care hospital, while education services would include K-12 and a degree granting post-secondary institution.
- **Availability of cell services and level of connectivity** – is cell service and broadband available?

Appendix A describes how remoteness can be measured and Appendix B contains three case studies that illustrate the application of the growth framework to remote communities.

## Other Considerations

Figure 3 outlines a high-level approach to identify economic growth potential for northern communities. It is important to understand that in undertaking a study to identify economic growth potential there are additional factors that would need to be considered such as the presence of factors that support economic growth.

### Factors Necessary to Support Economic Growth

There is a well-established literature demonstrating that there are five key factors that are important in supporting economic growth regardless of the size or location of the community. Those factors include:

- **Governance Structures**<sup>4</sup> Sufficient capacity to carry out basic functions like public policing, service delivery and administration are necessary to support economic growth. Local government needs to establish functioning institutions and organizations that can support the development of entrepreneurial activity.
- **Resource endowments**<sup>5</sup> Resource endowments include natural resources around which industries can grow, human resources, and physical infrastructure.
- **Availability of infrastructure** such as roads, power, clean water, and telecommunications are important to developing thriving communities.<sup>6</sup> Basic infrastructure provides services necessary for businesses to operate. It also supports participation in social, economic, and cultural life within a community which is important in creating favorable conditions to support economic growth.
- **Availability of services** is an important factor in attracting and retaining people. Lack of expected levels of services with respect to education, health, retail goods, financial services and transportation can lead to population decline.
- **Entrepreneurship**<sup>7</sup> fosters economic growth in the region. By identifying and responding to the unmet needs in the local market, local businesses assist with access to the required goods and services, enabling populations to be more productive. New businesses stimulate the creation of jobs and new economic opportunities within the community.

Development of infrastructure and services can be part of an economic development strategy and are included as potential opportunities that could be identified as part of a growth study. However, successful economic development strategies require established stable governance structures. Within Indigenous communities governance along with incorporation of culture have been identified as a key factors in supporting economic and community development.<sup>8</sup>

Consequently, a study to identify economic growth potential is a tool that could be used to support the development of economic growth strategies in communities with stable governance structures. It would not be

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<sup>4</sup> Stimson, Robert J. and Roger R. Stough. "Changing Approaches to Regional Economic Development: Focusing on Endogenous Factors, Financial Development and Regional Economics." Available here: <http://www.bcra.gov.ar/Pdfs/BCRA/Paper%20STIMSON.pdf>

<sup>5</sup> Ibid.

<sup>6</sup> The Conference Board of Canada, *Toward Thriving Northern Communities*, December 2010.

<sup>7</sup> Stimson, Robert J. and Roger R. Stough.

<sup>8</sup> Tulk, Janice Esther. "Guiding Principles for Aboriginal Economic Development." Purdy Crawford Chair in Aboriginal Business Studies, Shannon School of Business, Cape Breton University. Available here: [https://www.cbu.ca/wp-content/uploads/2015/07/Guiding\\_Principles\\_for\\_Aboriginal\\_Economic\\_Development\\_sm.pdf](https://www.cbu.ca/wp-content/uploads/2015/07/Guiding_Principles_for_Aboriginal_Economic_Development_sm.pdf)

appropriate for use by a community that does not have a stable governance structure. In addition, the approach would need to be adapted to incorporate the culture of the community that is undertaking the study.

## 6. SUMMARY OF FINDINGS

Northern communities are smaller and more remote than communities in many other parts of Canada. They tend to have less developed infrastructure and may not have access to the same services as a community in a more populated area. Consequently, the challenges for economic growth differ from those faced by communities in other parts of Canada.

Economic leakage studies are a tool that has been used by Indigenous communities to support economic growth and identify potential opportunities. These studies focus on recapturing spending that takes place outside the community. Economic leakage studies are well suited for identifying opportunities for communities that are located in close proximity to other communities, and have opportunities to provide services within a larger market.

For northern communities, location does not provide the same types of opportunities as it does in other parts of Canada. Consequently, a study to identify economic growth potential requires a broader scope than just recapturing spending. It needs to incorporate the effect of location on potential opportunities and include assessment of opportunities to develop infrastructure, opportunities related to the natural environment, and opportunities related to existing and planned resource development.

This study has outlined an approach to identifying economic growth potential in northern communities that builds on the approach employed for economic leakage studies.

## 7. FUTURE RESEARCH

Future research would build on this work and engage with Indigenous communities to refine the methodology to meet their specific needs.

## APPENDIX A: DEFINING REMOTENESS

Remoteness is typically defined in terms of accessibility or proximity to infrastructure and services such as communication technology, transportation, hospitals, and schools. The specific measures used to define remoteness depend on the context.

For the purposes of this study remoteness was measured based on factors that are important in providing access to markets and supporting economic growth. Those factors are:

- **Transportation infrastructure** – is the community accessible by road year-round?
- **Distance to a centre with a full set of services** – the full set of services would include health and education services and accessibility to major transportation networks. Health care services would include an acute care hospital, while education services would include K-12 and a degree granting post-secondary institution.
- **Availability of cell services and level of connectivity** – is cell service and broadband available?

We reviewed the characteristics of 15 communities to identify degrees of remoteness. Five types of communities emerged from that review:

- **Urban community** – Defined as a community located within a two-hour driving time of a centre with a full set of services, and characterized by good transit and year-round road access, full cell service, and broadband connectivity.
- **Rural Community** – Defined as a community located between two to seven-hour driving time of the nearest center with full set of services, characterized by a year-round road access, and full cell service and broadband connectivity.
- **Remote community** - Defined as a community located over seven-hour driving time from the nearest centre with a full set of services, characterized by a year-round road access, and full or limited cell service and broadband connectivity.
- **Extremely remote community** - Defined as a community located over seven-hour driving time of the nearest centre with a full set of services, with a limited road access, and is characterized by full or limited cell service and broadband connectivity.
- **Isolated community** – Defined as a community that does not have a year-round road access, is connected to a centre with a full set of services only via air or water.

Table 1 illustrates the application of this definition to a selection of communities in Canada. Each community was assigned to a category based on the factors that support economic growth. The characteristics of each community are provided below.

**Table 1: Remoteness of Selected Communities**

Urban	Rural	Remote	Extremely Remote	Isolated
Akwesasne (ON)	Haisla (BC)	Beaver Creek (YT)	Attawapiskat (ON)	Arviat (NU)
New Credit (ON)		Chisasibi (QC)	Fort Good Hope (NWT)	Baker Lake (NU)
Six Nations (ON)		Inuvik (NWT)	Norman Wells (NWT)	Gjoa Haven (NU)
		Tagish (YT)		Old Crow (YT)

## Urban Communities

Criteria	Akwesasne	New Credit	Six Nations
<b>Province</b>	Ontario	Ontario	Ontario
<b>Population</b>	1,202 <sup>9</sup>	871 <sup>10</sup>	12,271 <sup>11</sup>
<b>Education</b>	Schools, higher education is supported by the nation but is not located on reserve <sup>12</sup>	Not on reserve <sup>13</sup>	Six Nations Polytechnic <sup>14</sup>
<b>Health</b>	Medical clinic <sup>15 16</sup>	None, but the nation is in close proximity to Six Nations	Health clinic <sup>17 18</sup>
<b>Resource development and major employers</b>	Tourism, retail <sup>19</sup>		Manufacturing, tobacco, warehousing, clean energy, Grand River Mills <sup>20</sup>

## Rural Communities

Criteria	Haisla
<b>Location</b>	British Columbia
<b>Population</b>	6,394 <sup>21</sup> (671 on reserve in Haisla) <sup>22</sup>
<b>Education</b>	Coast Community College can provide distance education if requested <sup>23</sup>
<b>Health</b>	yes <sup>24</sup>
<b>Resource development and major employers</b>	LNG (Douglas Channel Energy Partners)

<sup>9</sup> <https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/page.cfm?Lang=E&Geo1=CSD&Code1=2469802&Geo2=PR&Code2=35&Data=Count&SearchText=Akwesasne&SearchType=Begins&SearchPR=01&B1=All&GeoLevel=PR&GeoCode=2469802&TABID=1>

<sup>10</sup> <http://www.aadnc-aandc.gc.ca/eng/1357840942094/1360164261110>

<sup>11</sup> <http://www.sixnations.ca/CommunityProfile.htm>

<sup>12</sup> [http://www.ambe.ca/?page\\_id=23](http://www.ambe.ca/?page_id=23)

<sup>13</sup> <http://mncfn.ca/education/post-secondary-services/>

<sup>14</sup> <https://www.snpolytechnic.com/>

<sup>15</sup> <http://www.akwesasne.ca/whw-medical-clinic-at-tsiionkwanonhsote/>

<sup>16</sup> [http://www.hhr-rhs.ca/index.php?option=com\\_content&view=article&id=1088%3Aakwesasne-clinic-working-to-address-doctors-shortage&catid=10%3Alatest-news&Itemid=61&lang=en](http://www.hhr-rhs.ca/index.php?option=com_content&view=article&id=1088%3Aakwesasne-clinic-working-to-address-doctors-shortage&catid=10%3Alatest-news&Itemid=61&lang=en)

<sup>17</sup> <http://www.snhs.ca/>

<sup>18</sup> <https://www.hnhbhealthline.ca/displayService.aspx?id=183015>

<sup>19</sup> <http://www.akwesasnebusinessdirectory.com/akwesasne-community-information/>

<sup>20</sup> <http://ammsa.com/publications/windspeaker/six-nations-opens-state-art-industrial-park-0>

<sup>21</sup> <https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/page.cfm?Lang=E&Geo1=POPC&Code1=0420&Geo2=PR&Code2=59&Data=Count&SearchText=Kitimat&SearchType=Begins&SearchPR=01&B1=All&GeoLevel=PR&GeoCode=0420&TABID=1>

<sup>22</sup> [http://fnp-ppn.aadnc-aandc.gc.ca/fnp/Main/Search/FNRegPopulation.aspx?BAND\\_NUMBER=676&lang=eng](http://fnp-ppn.aadnc-aandc.gc.ca/fnp/Main/Search/FNRegPopulation.aspx?BAND_NUMBER=676&lang=eng)

<sup>23</sup> <https://clbc.cioc.ca/record/CLB2012>

<sup>24</sup> <http://pacificnorthwest.fetchbc.ca/service.html?i=487>

## Remote Communities

Criteria	Beaver Creek	Chisasibi	Inuvik	Tagish
<b>Location</b>	Yukon <sup>25</sup>	Quebec	Northwest Territories	Yukon
<b>Population</b>	93 <sup>26</sup>	2,967 <sup>27</sup>	3,140 <sup>28</sup>	249 <sup>29</sup>
<b>Education</b>	Through grade 9 <sup>30</sup> 31	K-12 schools plus adult education with certificates <sup>32</sup>	Yes <sup>33</sup>	Online degree in Public Administration through Carcross campus of the Yukon College <sup>34</sup> 35
<b>Health</b>	A nurse practitioner <sup>36</sup>	A hospital (7 doctors) <sup>37</sup>	A hospital <sup>38</sup>	A nurse <sup>39</sup>
<b>Resource development and major employers</b>	Border services and hospitality	Energy (hydroelectric) and construction <sup>40</sup>	Petroleum exploration, transportation, construction, trapping and hunting. <sup>41</sup> 42	Camping and retreat <sup>43</sup>

<sup>25</sup> <http://www.yukoncommunities.yk.ca/beaver-creek>

<sup>26</sup> <https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/page.cfm?Lang=E&Geo1=CSD&Code1=6001042&Geo2=PR&Code2=59&Data=Count&SearchText=Beaver%20Creek&SearchType=Begins&SearchPR=01&B1=All&GeoLevel=PR&GeoCode=6001042&TABID=1>

<sup>27</sup> <https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/page.cfm?Lang=E&Geo1=POPC&Code1=1340&Geo2=PR&Code2=60&Data=Count&SearchText=Chisasibi&SearchType=Begins&SearchPR=01&B1=All&GeoLevel=PR&GeoCode=1340&TABID=1>

<sup>28</sup> <https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/page.cfm?Lang=E&Geo1=POPC&Code1=0388&Geo2=PR&Code2=47&Data=Count&SearchText=Inuvik&SearchType=Begins&SearchPR=01&B1=All>

<sup>29</sup> <https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/page.cfm?Lang=E&Geo1=CSD&Code1=6001036&Geo2=PR&Code2=60&Data=Count&SearchText=Tagish&SearchType=Begins&SearchPR=01&B1=All&GeoLevel=PR&GeoCode=6001036&TABID=1>

<sup>30</sup> [http://sewp.gov.yk.ca/data?regionId=YK.BC&subjectId=EDUC&groupId=EDUC.COMPULS&dataId=YBS\\_SCHOOL\\_ENR\\_OLMENT&tab=region](http://sewp.gov.yk.ca/data?regionId=YK.BC&subjectId=EDUC&groupId=EDUC.COMPULS&dataId=YBS_SCHOOL_ENR_OLMENT&tab=region)

<sup>31</sup> <https://www.cbc.ca/news/canada/north/beaver-creek-school-council-resigns-1.3443717>

<sup>32</sup> <https://www.cscree.qc.ca/en/saes/about-the-saes>

<sup>33</sup> [http://www.auroracollege.nt.ca/\\_live/pages/wpPages/CampusAurora.aspx](http://www.auroracollege.nt.ca/_live/pages/wpPages/CampusAurora.aspx)

<sup>34</sup> <https://www.yukoncollege.yk.ca/programs/all>

<sup>35</sup> <http://www.yukoncommunities.yk.ca/tagish/tagish-schools-training>

<sup>36</sup> <http://www.hss.gov.yk.ca/healthcentres.php>

<sup>37</sup> <http://www.creehealth.org/miyupimaatiisiiun-department/chisasibi-hospital>

<sup>38</sup> <https://www.bdhssa.hss.gov.nt.ca/health/health-services-our-communities/inuvik-regional-hospital>

<sup>39</sup> <http://www.yukoncommunities.yk.ca/tagish/tagish-community-government-services/tagish-health-services>

<sup>40</sup> [http://www.hydroquebec.com/hydloandfriends/publications/the-la-grande-hydroelectric-complex/WWW\\_ECONOMIC/html\\_phase2/participation.html](http://www.hydroquebec.com/hydloandfriends/publications/the-la-grande-hydroelectric-complex/WWW_ECONOMIC/html_phase2/participation.html)

<sup>41</sup> <https://www.iti.gov.nt.ca/en/beaufort-delta>

<sup>42</sup> <https://www.inuvik.ca/en/doing-business/Doing-Business-Here-Why-Inuvik.asp>

<sup>43</sup> <http://www.yukoncommunities.yk.ca/tagish/tagish-information-for-tourists>



## Extremely Remote

Criteria	Attawapiskat	Fort Good Hope	Norman Wells
<b>Location</b>	Ontario	Northwest Territories <sup>44</sup>	Northwest Territories
<b>Population</b>	1,501 <sup>45</sup>	516 <sup>46</sup>	778 <sup>47</sup>
<b>Education</b>	Elementary School	School and Aurora College Learning Center (no degree programs, just prep. Education for college) <sup>48</sup>	School and Aurora College Learning Center <sup>49</sup>
<b>Health</b>	Nursing station <sup>50</sup>	Health Center only <sup>51</sup>	Health Center only <sup>52</sup> 53
<b>Resource development and major employers</b>	Mining (De Beers)	Hunting and trapping	Oil <sup>54</sup>

<sup>44</sup> <http://www.north-wrightairways.com/sahturegion/fortgoodhope.shtml>

<sup>45</sup> <https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/page.cfm?Lang=E&Geo1=POPC&Code1=1497&Geo2=PR&Code2=10&Data=Count&SearchText=Attawapiskat%2091A&SearchType=Begins&SearchPR=01&B1=All>

<sup>46</sup> <http://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/page.cfm?Lang=E&Geo1=CSD&Code1=6102009&Geo2=PR&Code2=61&Data=Count&SearchText=Fort%20Good%20Hope&SearchType=Begins&SearchPR=01&B1=Population&TABID=1>

<sup>47</sup> <https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/page.cfm?Lang=E&Geo1=CSD&Code1=6102007&Geo2=PR&Code2=61&Data=Count&SearchText=Norman%20Wells&SearchType=Begins&SearchPR=01&B1=All&GeoLevel=PR&GeoCode=6102007&TABID=1>

<sup>48</sup> <https://www.shssa.hss.gov.nt.ca/about-us/about-sahtu/fort-good-hope>

<sup>49</sup> [http://www.auroracollege.nt.ca/\\_live/pages/wpPages/Contact\\_CLC.aspx](http://www.auroracollege.nt.ca/_live/pages/wpPages/Contact_CLC.aspx)

<sup>50</sup> <http://search.211north.ca/record/KEN0273>

<sup>51</sup> <https://www.shssa.hss.gov.nt.ca/about-us/about-sahtu/fort-good-hope>

<sup>52</sup> <https://www.shssa.hss.gov.nt.ca/about-us/about-sahtu/fort-good-hope>

<sup>53</sup> <https://www.shssa.hss.gov.nt.ca/upcoming-events/when-doctor>

<sup>54</sup> <https://www.cbc.ca/news/canada/north/imperial-oil-norman-wells-suspend-production-pipeline-1.3954051>

## Isolated Communities

Criteria	Arviat	Baker Lake	Gjoa Haven	Old Crow
<b>Location</b>	Nunavut <sup>55 56</sup>	Nunavut	Nunavut <sup>57</sup>	Yukon Territories
<b>Population</b>	2,514 <sup>58</sup>	1,690 <sup>59</sup>	1,197 <sup>60</sup>	221 <sup>61</sup>
<b>Education</b>	Elementary, Middle, High School and Nunavut Arctic College <sup>62 63</sup>	Early childhood services, schools and Nunavut Arctic College <sup>64 65</sup>	Preschool, school, and Nunavut Arctic College <sup>66</sup>	K -12 and Yukon College (distance education) <sup>67</sup>
<b>Health</b>	Health Centre <sup>68 69</sup>	Health center and dental clinic <sup>70 71</sup>	Health center and dental care <sup>72 73</sup>	A nursing station <sup>74</sup>
<b>Resource development and major employers</b>	Eco-Tourism, Mining (gold mine at Meadowbank, Agnico-Eagle Mines) <sup>75 76 77</sup>	Mining (gold mine at Meadowbank, Agnico-Eagle Mines) <sup>78</sup>	Tourism	Trapping, hunting, and fishing <sup>79</sup>

<sup>55</sup> [https://www.arviat.ca/sites/default/files/public/files/Visitors/arviat\\_tourism\\_brochure\\_-\\_2013.pdf](https://www.arviat.ca/sites/default/files/public/files/Visitors/arviat_tourism_brochure_-_2013.pdf)

<sup>56</sup> <http://findingtruenorth.ca/blog/arviat-eat-sleep>

<sup>57</sup> <http://www.gjoahaven.net/the-community.html>

<sup>58</sup> <https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/page.cfm?Lang=E&Geo1=POPC&Code1=1393&Geo2=PR&Code2=62&Data=Count&SearchText=Arviat&SearchType=Begins&SearchPR=01&B1=Population&TABID=1>

<sup>59</sup> <http://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/page.cfm?Lang=E&Geo1=POPC&Code1=1439&Geo2=PR&Code2=62&Data=Count&SearchText=Baker%20Lake&SearchType=Begins&SearchPR=01&B1=All&GeoLevel=PR&GeoCode=1439&TABID=1>

<sup>60</sup> <https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/page.cfm?Lang=E&Geo1=POPC&Code1=1573&Geo2=PR&Code2=62&Data=Count&SearchText=Gjoa%20Haven&SearchType=Begins&SearchPR=01&B1=All&GeoLevel=PR&GeoCode=1573&TABID=1>

<sup>61</sup> <https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/page.cfm?Lang=E&Geo1=CSD&Code1=6001043&Geo2=PR&Code2=62&Data=Count&SearchText=Old%20Crow&SearchType=Begins&SearchPR=01&B1=All&GeoLevel=PR&GeoCode=6001043&TABID=1>

<sup>62</sup> <http://www.nunavuteda.com/community/arviat>

<sup>63</sup>

<https://static1.squarespace.com/static/5b1954d75cfd798b94327249/t/5b3f8af8aa4a99a7b369c9ae/1530891008953/2018-2019+Program+Plan.pdf>

<sup>64</sup> <http://bakerlake.ca/en/businesses/retail/>

<sup>65</sup>

<https://static1.squarespace.com/static/5b1954d75cfd798b94327249/t/5b3f8af8aa4a99a7b369c9ae/1530891008953/2018-2019+Program+Plan.pdf>

<sup>66</sup> <http://kitikmeot.edu.nu.ca/pdf/gjoahaven.pdf>

<sup>67</sup> <http://www.yukoncommunities.yk.ca/old-crow/schools-and-training>

<sup>68</sup> <https://gov.nu.ca/health-centre/arviat>

<sup>69</sup> <https://gov.nu.ca/health/information/health-centres#2434>

<sup>70</sup> <https://gov.nu.ca/health/information/health-centres#2434>

<sup>71</sup> <http://bakerlake.ca/en/businesses/retail/>

<sup>72</sup> <http://www.learnalberta.ca/content/ssognc/aCommunityProfile/index.html>

<sup>73</sup> <http://www.innsnorth.com/html/inns-planning-health.htm>

<sup>74</sup> <https://www.oldcrow.ca/nursing/>

<sup>75</sup> <https://www.theglobeandmail.com/life/travel/travel-news/how-did-this-aboriginal-eco-tour-group-beat-out-the-big-time/article19359250/>

<sup>76</sup> <https://uphere.ca/articles/arviat-and>

<sup>77</sup> [https://www.nrcan.gc.ca/sites/www.nrcan.gc.ca/files/mineralsmetals/files/pdf/rmd-rrm/Arviat\\_CommTrng\\_EN.PDF](https://www.nrcan.gc.ca/sites/www.nrcan.gc.ca/files/mineralsmetals/files/pdf/rmd-rrm/Arviat_CommTrng_EN.PDF)

<sup>78</sup> <http://bakerlake.ca/en/home/>

<sup>79</sup> <https://www.oldcrow.ca/history.htm>

## APPENDIX B: CASE STUDIES

To illustrate how the framework outlined in this study could be used to identify economic growth potential in remote communities we developed case studies for three communities. The communities were selected in consultation with CIRNAC based on their location and degree of remoteness.

The case studies were developed based on publicly available information and were limited to assessing how the approach outlined in this study could be used by the community and the types of assessments that could be considered to identify opportunities.

### Case Study 1: Remote Community

#### Community: Chisasibi, Quebec

Chisasibi is a Cree community on the shores of James Bay in northern Quebec. It is one of nine communities that are part of the James Bay and Northern Quebec Agreement (“JBNQA”). The community’s population is approximately 3,000<sup>80</sup> and it is accessible by road year-round.

Chisasibi has an established governance structure and basic infrastructure including a hospital and schools.<sup>81</sup> The communities in the JBNQA cooperate on many economic development activities including tourism.

The economy includes both a wage component and a land subsistence component. An study to identify economic growth potential for this community would focus on ways to increase employment opportunities and would include:

- Assessment of the contribution of traditional foods to the local diet and the potential to produce more food locally. Options that could be considered are cold water aquaculture and farming or greenhouse operations.
- Assessment of traditional arts and crafts activity and opportunities to produce goods for sale in southern regions or to visitors.
- Assessment of the role of partnerships with other JBNQA communities in the economy and opportunities to expand the services offered through those partnerships.
- Assessment of the potential to provide services to other remote communities in the region.

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<sup>80</sup><https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/page.cfm?Lang=E&Geo1=POPC&Code1=1340&Geo2=PR&Code2=60&Data=Count&SearchText=Chisasibi&SearchType=Begins&SearchPR=01&B1=All&GeoLevel=PR&GeoCode=1340&TABID=1>

<sup>81</sup> <http://www.creehealth.org/miyupimaatisiun-department/chisasibi-hospital>

## Case Study 2: Extremely Remote Community

### Community: Attawapiskat, Ontario

Attawapiskat is a Cree community on the western shore of James Bay in northern Ontario. It has a population of approximately 1,500.<sup>82</sup> The community lacks infrastructure and does not have year-round access. There was no information on governance or economic development activities undertaken by the community.

The Victor diamond mine is located approximately 90 kilometres from the community and there is an impact benefit agreement in place between the community and the mine operator. However, the mine is expected to close in 2019.<sup>83</sup>

The economy of Attawapiskat includes both a wage component and a land subsistence component. A study to identify economic growth potential for this community would focus on how to benefit from infrastructure development and opportunities to replace employment lost when the Victor mine closes. Included would be:

- Assessment of the contribution of the Victor mine to the community's economy.
- Assessment of the ability to provide services to support decommissioning of the Victor mine.
- Assessment of the potential to use infrastructure development to develop local capacity.
- Assessment of the potential for the provision of additional services in the community.
- Assessment of the contribution of traditional foods to the local diet and the potential to produce more food locally. Options that could be considered are cold water aquaculture and farming or greenhouse operations.
- Identification of potential future resource development opportunities in Attawapiskat's traditional territory and how capacity developed through the Victor mine could be leveraged to develop those.

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<sup>82</sup><https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/page.cfm?Lang=E&Geo1=POPC&Code1=1497&Geo2=PR&Code2=10&Data=Count&SearchText=Attawapiskat%2091A&SearchType=Begins&SearchPR=01&B1=All>

<sup>83</sup> CBC News. "Attawapiskat chief hopeful in fact of DeBeers diamond mine shutdown". Available here: <https://www.cbc.ca/news/canada/sudbury/debeers-closure-community-reacts-1.4386145> (Accessed 2018/09/02)

## Case Study 3: Isolated Community

### Community: Baker Lake, Nunavut

Baker Lake is an Inuit community located near the Thelon River in Nunavut. It has a population of approximately 1,700<sup>84</sup> and is accessible by air. The community's infrastructure includes schools, a health center and a dental clinic. A significant amount of employment in the community is related to the Meadowbank gold mine which is anticipated to be in operation until 2019.<sup>85,86</sup> There is also an arts and crafts, and tourism sector.

While the economy is largely wage based, there remains a component that is land subsistence. A study to identify economic growth potential for this community would focus on ways to diversify the economy and replace employment that will be lost when the Meadowbank gold mine closes. Included would be:

- Assessment of the contribution of the Meadowbank gold mine to the economy.
- Assessment of the contribution of arts and crafts to the economy and the potential for expansion. This could include opportunities to sell products in southern regions or to local visitors.
- Assessment of the contribution of traditional foods to the local diet and the potential to produce more food locally. Options that could be considered are farming or greenhouse operations.
- Identification of future resource development opportunities in Baker Lake's traditional territory and how capacity developed through the Meadowbank gold mine could be leveraged to develop those.

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<sup>84</sup><http://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/page.cfm?Lang=E&Geo1=POPC&Code1=1439&Geo2=PR&Code2=62&Data=Count&SearchText=Baker%20Lake&SearchType=Begins&SearchPR=01&B1=All&GeoLevel=PR&GeoCode=1439&TABID=1>

<sup>85</sup> Campbell, Daniel. "Baker Lake: Nunavut's thriving mining town (that doesn't look like a mining town at all)", 2015/11/05. Available here: <https://uphere.ca/articles/baker-lake> (Accessed 2018/09/14)

<sup>86</sup> <https://www.agnicoeagle.com/English/operations-and-development-projects/operations/meadowbank/default.aspx>

## APPENDIX C: LEAKAGE STUDIES REVIEWED

1. Mohawk Council of Akwasasne – Economic Leakage Study, July 2014. (Available here: [http://www.akwasasne.ca/wp-content/uploads/2017/01/mca\\_economic\\_leakage\\_study\\_report.pdf](http://www.akwasasne.ca/wp-content/uploads/2017/01/mca_economic_leakage_study_report.pdf))
2. Economic Contributions of BC First Nation Communities, February 2017.
3. Six Nations and New Credit Economic Leakage Study, April 2010. (Summary available here: <http://sndevcorp.ca/wp-content/uploads/2016/07/Leakage-Report.pdf>)
4. Unama'ki Economic Leakage Study Phase 2 Final Report, November 8, 2011. (Available here: <http://mebons.ca/wp-content/uploads/Unamaki-Economic-Leakage-Study-Phase-2-Final-Report-2011-11-08.pdf>)
5. Economic Leakage: A Five Part Study, 2006 (Kahnawake). (Available here: <http://tewa.ca/small-business-services/economic-leakage-a-five-part-study/>)

Three of the studies that we reviewed are profiled below. These examples illustrate the typical approaches used for economic leakage studies, their application to different regions and the findings.

### Akwasasne

The Akwasasne Mohawk Territory (AMT) is located on the border between the United States (US) and Canada along the St Lawrence River, and includes areas of Ontario, Quebec and New York State. The AMT is comprised of three districts Kawehno:ke (Cornwall Island), Kana:takon (St. Regis) and Tsi:Snaihne (Snye). The community has a population of approximately 13,000, of which 11,000 reside on-reserve.<sup>87</sup>

#### *Degree of Remoteness*

The AMT is located in an urban area and is approximately 15 kilometres from Cornwall, Ontario. The community has access to a full range of services and is well connected via wireless internet connection, cellular and phone networks.

#### *Infrastructure and Economy*

There are approximately 150 community-based businesses within the AMT that provide various services including gas stations, convenience stores, gift shops, sport shops, medical practices, restaurants, automotive repairs, construction and banking.<sup>88</sup>

The community has an established governance structure that provides education, police services, health, housing and technical services (e.g., building and infrastructure, engineering and technology, information technology and water and waste water infrastructure). The health department provides primary care services, mental health, prevention programs, ambulance service, community health programs and non-insured health benefits. The community is also served by the Cornwall community hospital. There are six schools in the AMT offering K-8 and four daycare centers.

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<sup>87</sup> [http://fnp-ppn.aandc-aadnc.gc.ca/fnp/Main/Search/FNRegPopulation.aspx?BAND\\_NUMBER=159&lang=eng](http://fnp-ppn.aandc-aadnc.gc.ca/fnp/Main/Search/FNRegPopulation.aspx?BAND_NUMBER=159&lang=eng)  
<http://www.akwasasne.ca/history-resources/about-mca/>

<sup>88</sup> [http://fnp-ppn.aandc-aadnc.gc.ca/fnp/Main/Search/FNRegPopulation.aspx?BAND\\_NUMBER=159&lang=eng](http://fnp-ppn.aandc-aadnc.gc.ca/fnp/Main/Search/FNRegPopulation.aspx?BAND_NUMBER=159&lang=eng)  
<http://www.akwasasne.ca/history-resources/about-mca/>

## Challenges

The challenges for economic development in the AMT include:

- Most businesses are small and lack competitiveness and the capability to expand.
- Close proximity to Cornwall means the community is highly dependent on surrounding communities for the provision of goods and services.
- Transportation both within the community and between the community and Cornwall due to its location on an international border and the placement of the border crossing.

### *Leakage Study: Purpose and Findings*

*Purpose:* The Mohawk Council of Akwesasne (MCA) undertook an economic leakage study in 2014. The purpose of the study was to estimate the economic dependence of the community on surrounding areas and identify strategies that could promote growth of the business sector and provide employment through the recapture of spending that was flowing out of the community. The findings of the study were to be used to support a “shop local” campaign to reduce economic leakage.

*Findings:* The study found that approximately 75 percent of community’s total spending occurred outside the AMT. Approximately 36 percent of the spending that occurred outside of the AMT was identified as having potential for recapture. Spending that had potential for recapture included food and beverage (e.g., groceries, restaurants, and convenience items), retail purchases, vehicle maintenance, and construction and maintenance services.

The recommendations included:

- A ‘shop local’ campaign directed at community residents to encourage them to shop locally.
- Implementation of regulations and standards for procurement of services by the MCA to encourage businesses to develop capacity and increase their competitiveness in pursuing opportunities outside the AMT.
- Encourage development of businesses providing food services and repair and maintenance services either through expansion of existing capacity, partnerships or MCA owned enterprises.

## Haisla Nation

The Haisla Nation is located on the northwest coast of BC, approximately 11 kilometres south of Kitimat. The home community of the Haisla Nation is Kitimaat Village, located at the head of the Douglas Channel.<sup>89</sup> The Nation has a registered population of 1,931 members<sup>90</sup>, with the majority residing in Kitimaat Village.<sup>91</sup>

### *Degree of Remoteness*

The Haisla Nation is a rural community in close proximity to the town of Kitimat. The community has year round road access and access to a full range of services is available in the region. The Kitimaat village is approximately 10 kilometres away from Kitimat and 45 kilometres from the Terrace airport.<sup>92</sup>

### *Infrastructure and Economy*

The Haisla Nation is located in a region with significant natural resources. Through joint ventures and partnerships the Haisla Nation is an active participant in resource industries including mining and forestry. This has resulted in the Haisla Nation’s Administration being able to generate significant own source revenues that

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<sup>89</sup> <http://haisla.ca/community-2/kitimaat-village/>

<sup>90</sup> [http://fnp-ppn.aandc-aadnc.gc.ca/fnp/Main/Search/FNRegPopulation.aspx?BAND\\_NUMBER=676&lang=eng](http://fnp-ppn.aandc-aadnc.gc.ca/fnp/Main/Search/FNRegPopulation.aspx?BAND_NUMBER=676&lang=eng)

<sup>91</sup> <http://haisla.ca/community-2/about-the-haisla/>

<sup>92</sup> Ibid



fund the majority of the Haisla Nation Council's ("HNC") operating budget.<sup>93</sup> In addition to a wage economy, members of the Haisla Nation are involved in traditional activities including hunting, berry picking and fishing.<sup>94</sup>

There are approximately 20 community owned businesses that provide a range of services including food services, rental and leasing services, construction services and transportation services.<sup>95</sup>

Health and education services are provided through the Kitamaat Village Clinic. Services available through the clinic include nurses, patient travel, care aides, elders program, a recreation centre, and a youth program.<sup>96</sup> In addition there is the C'imo'ca Headstart Childcare Centre and a community elementary school offering K-7.

### *Challenges*

There was no information on challenges faced by the Haisla Nation with respect to economic development.

### *Leakage Study: Purpose and Findings*

*Purpose:* The Haisla Nation were part of a 2017 study that was conducted for the Aboriginal Business Investment Council and the BC Business Council to demonstrate the economic contributions made by Indigenous communities to the regional economies in which they are located.

*Findings:* The study found that the majority of the community's spending occurs outside of the community and supports economic activity in the surrounding communities. Approximately 65 percent of government spending, 75 percent of total business spending and 90 percent of household spending was estimated to flow out of the community. The study illustrated that the majority of spending by BC Indigenous governments, businesses and households flows to non-Indigenous communities generating economic impacts in non-Indigenous communities that exceed those created within Indigenous communities.

## **Six Nations and New Credit**

The Six Nations of the Grand River ("Six Nations") is a Haudenosaunee (more widely known as Iroquois) community, that consists of the six nations: Mohawk, Seneca, Oneida, Cayuga, Onondaga and Tuscarora.<sup>97</sup> The main reserve, "Six Nations Reserve No. 40", is located approximately 25 kilometres southwest of Hamilton, Ontario between Brantford, Caledonia and Hagersville.<sup>98</sup> There are approximately 13,000 people living on the Six Nations reserve.<sup>99</sup>

The Mississaugas of the Credit First Nation ("MNCFN" or "New Credit") are located 15 kilometres north of Six Nations. New Credit has a registered population of approximately of 2,500 people, of which 950 live on-reserve.<sup>100</sup>

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<sup>93</sup> Indigenous and Northern Affairs Canada. First Nations Financial Transparency Act.

[http://fnp-ppn.aandc-aadnc.gc.ca/fnp/Main/Search/FederalFundingMain.aspx?BAND\\_NUMBER=676&lang=eng](http://fnp-ppn.aandc-aadnc.gc.ca/fnp/Main/Search/FederalFundingMain.aspx?BAND_NUMBER=676&lang=eng)

<sup>94</sup> <http://haisla.ca/community-2/about-the-haisla/>

<sup>95</sup> <file:///Y:/Clients/Economics%20Clients/Crown%20Indigenous%20Relations/4.%20Working%20Documents/Background%20Documents/community%20studies/Business%20Council%20Economic%20Contributions%20of%20Aboriginal%20Communities%20-%20Final%20Report%20Feb%202017.pdf>

<sup>96</sup> <http://haisla.ca/council/haisla-nation-council-annual-report/>

<sup>97</sup> <https://www.ontario.ca/page/six-nations-grand-river>

<sup>98</sup> *Ibid.*

<sup>99</sup> <http://www.sixnations.ca/CommunityProfile.htm>

<sup>100</sup> [http://fnp-ppn.aandc-aadnc.gc.ca/fnp/Main/Search/FNRegPopulation.aspx?BAND\\_NUMBER=120&lang=eng](http://fnp-ppn.aandc-aadnc.gc.ca/fnp/Main/Search/FNRegPopulation.aspx?BAND_NUMBER=120&lang=eng)

## *Degree of Remoteness*

Six Nations and New Credit are urban communities located within the CMA of Bantford, Ontario<sup>101</sup>.

## *Infrastructure and Economy*

### Six Nations

The Six Nations' close proximity to large urban centres and transportation corridors has allowed it to undertake joint ventures with neighbouring communities and corporate partners. The Six Nations of the Grand River Development Corporation ("SNGRDC") was launched in May 2015 with the mandate to pursue economic self-sufficiency of the Six Nations people. SNGRDC manages a number of renewable energy projects, a business park, and several other properties owned by Six Nations. It is also responsible for managing economic development opportunities on and around the Six Nations territory.<sup>102</sup>

Businesses operating in the community include retail, manufacturing, professional services, tobacco, warehousing, and clean energy.<sup>103</sup> There is also a post-secondary institution offering a range of programs and training for Indigenous students.

### New Credit<sup>104</sup>

New Credit Nation's economic development is managed through the Sustainable Economic Development Department ("SEDC"). SEDC manages an industrial park and commercial plaza, and a number of properties in nearby towns and villages.<sup>105</sup>

New Credit has also developed ties with the Canada's first Indigenous Business District in Toronto which will allow it to co-locate businesses and receive mentorship and training opportunities.<sup>106 107</sup>

### *Leakage Study: Purpose and Findings*

*Purpose:* In 2010 the Six Nations and New Credit collaborated on an economic leakage study to identify business opportunities and the communities' impact on the surrounding region in terms of the wage economy and tax revenue.

*Findings:* The study found that approximately 69 percent of household spending, 52 percent of government spending and 80 percent of spending by businesses on goods for resale occurred outside of the two communities. Recapturing the spending that occurred outside the communities was estimated to have the potential to create an additional 1,000 jobs within the community.

The opportunities that were identified in the study included development of a shopping centre anchored by a full-service grocery store and several retail stores.

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<sup>101</sup> <https://www12.statcan.gc.ca/census-recensement/2016/as-sa/fogs-spg/Facts-cma-eng.cfm?LANG=Eng&GK=CMA&GC=543>

<sup>102</sup> [https://www.ccab.com/main/ccab\\_member/six-nations-of-the-grand-river-development-corporation/](https://www.ccab.com/main/ccab_member/six-nations-of-the-grand-river-development-corporation/)

<sup>103</sup> <http://ammsa.com/publications/windspeaker/six-nations-opens-state-art-industrial-park-0>

<sup>104</sup> <http://mncfn.ca/about-mncfn/community-profile/>

<sup>105</sup> <http://mncfn.ca/sed/>

<sup>106</sup> [https://www.huffingtonpost.ca/2017/01/12/toronto-indigenous-business-district\\_n\\_14106196.html](https://www.huffingtonpost.ca/2017/01/12/toronto-indigenous-business-district_n_14106196.html)

<sup>107</sup> <http://mncfn.ca/an-indigenous-district-proposes-to-generate-wealth-and-share-arts-and-culture/>

## APPENDIX D: ABOUT MNP

MNP is the fastest growing major chartered accountancy and business advisory firm in Canada. Founded in 1958, MNP has grown to more than 70 offices and 4,000 team members across Canada. The map below shows our office locations.

MNP provides a wide range of accounting, finance and business advisory services to clients. These include:

- Assurance
- Taxation
- Corporate Finance
- Mergers and Acquisitions
- Enterprise Risk Services
- Forensic Accounting
- Consulting
- Insolvency and Corporate Recovery
- Succession
- Valuations and Litigation Support



### About MNP's Economics and Research Practice

Economic and industry studies are carried out by MNP's Economics and Research practice. Based in Vancouver, the Economics and Research practice consists of a team of professionals that has a successful track record of assisting clients with a wide variety of financial and economic impact studies. Our work has encompassed a wide range of programs, industries, company operations and policy initiatives and has helped clients with decision-making, communication of economic and financial contributions, documentation of the value of initiatives and activities and development of public policy.